

VZCZCXYZ0008
OO RUEHWEB

DE RUEHDS #0233/01 0300957
ZNR UUUUU ZZH
O 300957Z JAN 08
FM AMEMBASSY ADDIS ABABA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9354
INFO RUEHAE/AMEMBASSY ASMARA 2097
RUEHDJ/AMEMBASSY DJIBOUTI 8889
RUEHNR/AMEMBASSY NAIROBI 3345
RUEHBS/AMEMBASSY BRUSSELS 3069
RUEHGV/USMISSION GENEVA 4147
RUEHLO/AMEMBASSY LONDON 3003
RUEHRO/AMEMBASSY ROME 6360
RUCNDT/USMISSION USUN NEW YORK 7222
RUEHC/DEPT OF INTERIOR WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC
RHMFIUU/HQ USCENTCOM MACDILL AFB FL//CCJ2/CCJ5/CCJS//
RHEFDIA/DIA WASHDC
RHMFISS/CJTF HOA
RHEHNSC/NSC WASHDC

UNCLAS ADDIS ABABA 000233

SIPDIS

STATE DEPARTMENT FOR A/S FRAZER, DAS AF JSWAN, AF/E, AF/PDPA, OES,
A/S PRM SAUERBREY, AND PRM/AFR
AFR/AA KALMQUIST, WWARREN, JBORNS, KNELSON, CTHOMPSON
DCHA/AA MHESS, GGOTTLIEB
DCHA/OFDA KLUU, ACONVERY, CCHAN, PMORRIS, KCHANNELL
DCHA/FFP JDWORKEN, PMOHAN, SANTHONY, PBERTOLIN
LONDON, PARIS, ROME FOR AFRICA WATCHER
CJTF-HOA AND USCENTCOM FOR POLAD
USDA/FAS FOR U/S PENN, RTILSWORTH, AND LPANASUK

NAIROBI FOR OFDA/ECARO GPLATT, RFFPO NCOX, USAID/EA
ROME FOR AMBASSADOR, OHA, HSPANOS
BRUSSELS FOR USEU PBROWN
GENEVA FOR NKYLOH, RMA
USUN FOR FSHANKS
NSC FOR PMARCHAN

AIDAC
SIPDIS

E.O. 12958: N/A
TAGS: [EAID](#) [PHUM](#) [SENV](#) [EAGR](#) [PGOV](#) [ET](#)
REF: A) ADDIS 3644 B) ADDIS 0134
SUBJECT: USG HUMANITARIAN ASSISTANCE TEAM FIELD VISIT #3:
LIVELIHOODS UPDATE

Summary

1. Between January 15 and 21, U.S. Government (USG) Humanitarian Assistance Team (HAT) in Ethiopia staff, including a USAID/Ethiopia senior policy advisor and a USAID/Office of U.S. Foreign Disaster Assistance (OFDA) agriculture and livestock advisor, traveled to Gode and Korahe zones in Somali Region as part of a third field visit to assess the current humanitarian situation and livelihood conditions. USG HAT staff report that the flow of commercial goods from Somalia into urban centers within the conflict-affected areas of Somali Region has improved in recent weeks, but only limited commodities are reaching rural areas due to Government of the Federal Democratic Republic of Ethiopia (GFDRE) restrictions. According to local populations, imported and locally produced staple food prices are substantially higher than pre-conflict levels. USG HAT staff note that livestock remain healthy in areas visited. However, USG HAT staff report that livestock conditions are expected to decline as the January to March jilal dry season progresses and pasture land diminishes. In addition, livestock cross-border trade remains restricted. USG HAT staff caution that the humanitarian situation in Somali Region could rapidly deteriorate as the dry season continues due to the cumulative impact of high staple food

prices, diminishing pasture land, reduced availability of commercial goods, restrictions on livestock movement and trade, and inefficiencies related to food aid delivery. End summary.

Commercial Food Trade

--Movement into Urban Centers --

¶2. GFDRE-required military escorts for all commercial trucks moving within the conflict-affected areas continue to cause delays. While commercial trucking with escorts has increased slightly over the past few months in areas visited, the number of trucks arriving in urban areas remains substantially lower compared to pre-conflict levels. In Denan town, Gode Zone, a local non-governmental organization (NGO) estimated that the number of commercial trucks arriving per week has decreased from approximately seven to one truck per week. In Kelafo town, Gode zone, transport workers estimated that commercial traffic remains at 50 percent of pre-conflict levels.

--Movement into Rural Areas -

¶3. The movement of commercial food into rural areas within conflict-affected areas has been significantly reduced, according to local residents and NGOs operating in the region. USG HAT staff received consistent reports that identified smuggling as the only mechanism for commercial food commodities to reach rural villages. Residents in Kebridehar town, Korahe Zone, reported that the military does not permit commercial trucks to off-load goods in villages outside district capitals, even if villages are located en route to final delivery destinations. However, villagers living outside of conflict-affected areas did not report restrictions on the transport of food from main towns to rural areas. For example,

villagers interviewed along the Wabeshebele River in Kelafo District, Gode Zone, reported unrestricted movement between urban markets and rural villages.

-- Cross-Border Trade Routes ---

¶4. Insecurity and pervasive Ethiopia National Defense Force (ENDF) presence in parts of Somali Region have disrupted traditional cross-border trade routes from Bosaso port in the semi-autonomous region of Puntland to Gode Zone, Somali Region, through Warder and Kebridehar zones, Somali Region. Currently, trade routes have been diverted from Bosaso through Galcio and Beletweyne in Somalia to Gode Zone, resulting in increased prices associated with greater transport distances.

-- Market Prices --

¶5. In urban markets, both within and outside conflict-affected areas, USG HAT staff note that prices of food commodities have risen significantly from the previous year. Residents consistently reported that price increases of imported staple foods were related to security operations and subsequent restrictions on commercial trade. Residents attributed increased prices for locally produced crops, such as sorghum and maize, to the poor performance of seasonal rains and resulting reduced harvests.

¶6. USG HAT staff market surveys in Kebridehar, Gode, and Kelafo towns indicated that prices of most commodities had significantly increased compared to pre-conflict levels. In some instances, local villagers, urban residents, and market traders reported an increase in prices three to four times higher than the previous year. In Gode market, 50 kilograms (kg) of local maize cost approximately 150 Ethiopian Birr (ETB) in 2008, compared to 40 ETB in 2007 and 20 liters of oil currently costs approximately 225 ETB, compared to 110 ETB in 2007. In addition, 25 kg of flour has increased from 100 to 200 ETB since 2007 and 25 kgs of rice has increased from approximately 100 to 185 ETB.

Livestock Trade

¶7. Local NGOs, U.N. officials, and rural residents report severe restrictions on cross-border livestock trade into Somalia, resulting in a significant decline in livestock sales. Due to the insignificant volume of cross-border livestock legally transported by military escort, traders often pay a third party to smuggle livestock into Somalia at great risk, according to residents of Kelafo town, Gode Zone. In Denan town, Gode Zone, local NGO staff report a significant decline in the presence of livestock traders resulting from fears that the military will accuse traders of using funds to support the insurgency. In addition, internal livestock markets in Gode and Korahe zones have experienced a significant decline in livestock prices and sales. In Shinelle town, Gode Zone, pastoralists reported that prices for camels had fallen from a minimum of 1,700 ETB a year ago to a maximum of 1,000 ETB presently. Pastoralists attributed the price reduction to an absence of buyers who are reluctant to operate due to insecurity and pervasive ENDF presence.

Livestock Health

¶8. Despite the poor performance of 2007 deyr and gu rains in many areas, USG HAT staff noted that livestock appear in good condition. USG HAT staff did not observe any signs of increased animal mortality in areas visited, and no disease outbreaks were reported. In the town of Shinille, Gode Zone, pastoralists reported an unusual camel disease, as well as problems with external parasites, but no serious epidemics. However, USG HAT staff caution that as the current jilal dry season progresses, and if USAID Famine Early Warning System Network (FEWS NET) predictions of poor April to June gu rains are correct, livestock health will deteriorate in the coming months. In addition, internal GFDRE restrictions on livestock movement, which limit the ability of animals to access sufficient pasture and water, continue to exacerbate the situation.

-- Disappearing Pasture Land --

¶9. USG HAT staff report consistent concerns among pastoralists and agro-pastoralists interviewed regarding the availability of pasture lands. USG HAT staff observed protracted stretches of dry pasture between Denan and Gode towns, Gode Zone, that are typically green at this time of year, according to local residents. USG HAT staff also note reports of abnormal migration patterns among populations in Gode and Korahe zones in response to poor rains and pasture conditions. In addition, USG HAT observed livestock-crowded watering points, including in Shinelle and El Har towns, Gode Zone. Villagers in El Har reported the convergence of large numbers of pastoralists at the area watering point, resulting in a significant increase in water collection practices, potentially depleting water table levels. USG HAT staff note that large concentrations of livestock create increased opportunities for disease transmission, especially as animals weaken as the dry season progresses, and report limited availability of veterinary health services in the region.

¶10. USG HAT staff report that despite locust infestations in late 2007 near Kebridehar town, Korahe Zone, and Gode Zone, the areas affected were fairly limited in size and would likely not seriously impact the ability of livestock to find sufficient fodder.

Coping Mechanisms

¶11. In non-conflict-affected agro-pastoralist areas, USG HAT staff observed several coping mechanisms in response to the effects of drought, high staple food prices, and trade restrictions. Coping mechanisms included reducing meal consumption to one meal per day, collecting firewood for sale, working as hired laborers on surrounding farms, and migrating to Bossaso, Galkayo, and Garowe in the semi-autonomous region of Puntland to access food aid and to work as migrant farmers. In Afdi village, Gode Zone, villagers reported that 60 families out of a total of 200 in the village had migrated to Puntland. In Tundo village, Gode Zone, villagers

reported that 25 out of 375 families had migrated to Puntland.

¶12. In conflict-affected areas, pastoralist coping mechanisms include the increased slaughter and household consumption of livestock. Pastoralists in Shinelle town, Gode Zone, report an increase in camel slaughter and the movement of urban and peri-urban residents to live with pastoralist relatives in order to access camel milk. Consumption of livestock by-products has taken the place of sales as market access has declined. In addition, pastoralist and agropastoralist populations are experiencing poor terms of trade as a result of reduced demand and price of livestock and higher than normal staple food prices. In some cases, food assistance may address current gaps in purchasing power. However, USG HAT staff emphasize that food assistance continues to be largely concentrated in district capitals, with limited assistance reaching rural and remote populations. USG HAT staff also note pastoralist engagement in high-risk behavior, including smuggling animals out of restricted zones, or trying to illegally move food commodities from towns to rural areas, in response to current restrictions.

Conclusions and Recommendations

¶13. USG HAT staff caution that humanitarian conditions could significantly deteriorate in the coming months for pastoralist and agropastoralist populations in Somali Region confronting steadily declining incomes and terms of trade as a result of current obstacles and restrictions on livestock movement and sales and commercial trade. USG HAT staff emphasize the need for improved access and an increase in commercial trade, including livestock and staple and non-staple commodities, to restore normal livelihood patterns in Somali Region. Improvement in current restrictions, access, and security are pre-requisites for traditional livestock interventions to be effective, including commercial destocking and emergency provision of fodder and water.

¶14. However, in the current context, USG HAT note that targeted emergency interventions for vulnerable populations, including designated livestock trade routes, fodder production programs, and veterinary services could mitigate deteriorating livelihood conditions. Rapid designation of potential trade routes would be required in the short-term to permit animals to be relocated to access pasture or trade markets before livestock conditions weaken, preventing relocation or sale. Routes would also need to be carefully monitored and secured to prevent conflict or clashes. In addition, USG HAT recommend the potential use of targeted high-nutrient fodder production programs to address reduced pasture availability and current restrictions on livestock movement. Areas for fodder production include riverine areas, in addition to some agricultural areas, but USG HAT staff note associated opportunity costs for households related to planting fodder in place of staple crops. USG HAT staff also recommend expanded animal health services with an emphasis on disease prevention, including vaccinations and parasite control, through training and equipping community animal health workers in the region.

¶15. USG HAT emphasize that the success of livelihood interventions within the conflict-affected areas of Somali Region is largely

dependent on GFDRE cooperation. Improvement in current livestock movement and trade restrictions is required to prevent further disruption to pastoralist and agro-pastoralist livelihoods and a deterioration of humanitarian conditions.

YAMAMOTO